

1961 ANNUAL REPORT

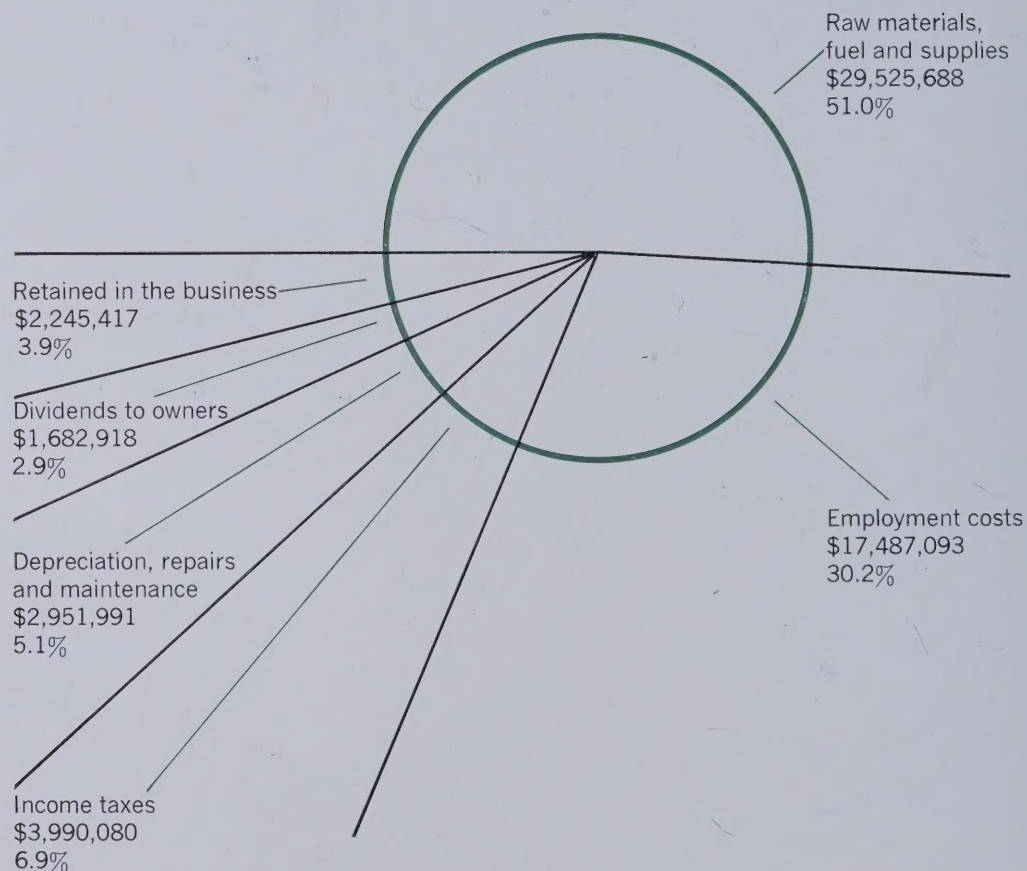
AR48

file

MAR 29 1962

ATLAS
STEELS
LIMITED

Distribution of the Consolidated Income Dollar	2
Highlights for 1961	2
Report of the Board of Directors	3
Consolidated Source and Application of Funds	7
Consolidated Balance Sheet	8
Consolidated Statement of Income and Earnings Retained	10
Auditors' Report	10
Notes to Consolidated Financial Statements	11
Ten Year Consolidated Financial Summary	12
Atlas Products	15
Directors and Officers	16
Subsidiaries	17



Consolidated sales for the year were	\$57,883,187
Consolidated net earnings amounted to	\$3,428,335, equal to \$2.45 per share
Working capital increased from	\$19,564,368 to \$21,781,550 at year end
Capital expenditures totalled	\$5,231,677
Shareholders' equity at \$36,231,123 reflected an increase of	\$8,515,248 over the previous year
Bond and debenture debt originally amounting to \$8,000,000 now standing at \$271,000 has been called for redemption April 13, 1962	
Dividends of \$1.25 per share were declared during the year amounting to	\$1,682,918
Shareholders numbered	7,912 at December 31

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

The year 1961 has been an active one for everyone at Atlas. All sections of the company were particularly busy either producing, marketing and developing our products or laying plans for the successful growth of Atlas in the years ahead.

The Management feels gratified at its financial results, the highlights of which are represented on the opposite page, the principal items being sales, earnings and per share earnings.

RESEARCH AND DEVELOPMENT:

During the year, this department was strengthened when the Product Development, Process Development, Research and Staff Metallurgy functions were combined into a single unit. Among the thirty research and development projects in process was a study to investigate the effects of small additions of uranium to our stainless, mining and plain carbon steels. Field testing of these uranium bearing steels was started in 1961 in association with the Department of Mines and Technical Surveys at Ottawa.

The use of iron ore in place of scrap for electric furnace melting is now possible through a number of established direct conversion pro-

cesses. Studies were conducted during the year for the purpose of selecting the process best suited to the Atlas operation.

In the area of product development, field tests were conducted on a new die steel for severe hot work applications such as dies for extrusion presses. Here the steel must retain its strength and shape at extremely high temperatures. Two new mining steels along with a new steel for the die casting industry also underwent field tests. The process development group introduced new products and techniques to the continuous casting operation and provided metallurgical assistance in the establishment of procedure connected with the Vacuum Degassing installation, described later in this report.

EMPLOYEE RELATIONS: In October, 1961, a two-year agreement was signed with the Canadian Steelworkers' Union (Atlas Division). In keeping with trends both for our industry and area, this agreement provided for increased wages, vacation benefits, and additional pay for weekend work. The strengthening of our entire organization to meet the demands of this technological era continued, and during the year, 41 new pro-

fessional and technical personnel joined the company. Training of management people for the new Atlas plants in Quebec and Australia was started in 1961 . . . five new apprentices started trade apprenticeship courses . . . twenty-five employees continued 4-year metallurgical correspondence courses . . . and "on the job" training continued for Atlas personnel seeking management posts in the company.

Roy H. Davis Scholarship Grants included six new awards. Of these, five went to sons of Atlas employees and the other went directly to an employee. The students are enrolled in Canadian universities seeking degrees in Engineering Sciences such as physics, mechanical and metallurgical, and also in business administration. In 1961 there were 17 summer students working at Atlas, five of whom held R. H. Davis Scholarship Grants.

SAFETY: The efforts of everyone at Atlas in emphasizing safety resulted in a continued reduction in both the number and severity of accidents in our plant. At year's end, Atlas led all of heavy industry in Ontario in statistical standings compiled by the Industrial Acci-

dent Prevention Associations.

ORGANIZATION: During the year, two new Vice Presidents were appointed: Mr. Fletcher Peacock became Vice President and General Manager, International Division, and Mr. Harry S. Wilson became Vice President Finance and Assistant Secretary. Dr. W. B. F. Mackay was appointed Manager, Research and Development, reporting to the president.

In June, Mr. Leonard "Bill" Bailey for many years a Vice President of the company retired after 26 years of outstanding service. Mr. James Gore, another long standing member of the company who contributed greatly to its growth retired during the year. Prior to his retirement, he served as Superintendent of our Cold Draw operations.

NORTH AMERICAN OPERATIONS:

PRODUCTION: In answer to world competition for the market for stainless steels it was decided to proceed with the construction of a mill for the production of 48" wide stainless steel sheet and strip. This plant, representing an investment of 40 million dollars will employ the most modern production concepts and will, when completed, be second to none in the world. Its location at Tracy, Quebec (on the south shore of the St. Lawrence River) combines a number of advantages: availability of skilled manpower, energy, deep

water shipping facilities and good sources of raw material. Ground was broken at the site in November and the first production units are scheduled to begin operation in the fall of 1962.

At Welland, production was maintained at a high level throughout the year. The Melting Department, for example, operated near capacity. Thirty per cent more tons of steel were cast on our Continuous Casting Machine. Two major production units were installed in 1961 to meet the increasingly stringent quality requirements of our customers. A Bright Annealing unit costing \$800,000 went into operation towards the end of the year. Stainless Steel strip passed through this equipment is annealed (softened) without loss of its bright surface appearance. As a result we are now able to produce a brighter, softer and easier to fabricate stainless steel strip ... with better corrosion resistance. A Vacuum Degassing unit, installed in the Melting Department, went into operation in mid December. This process greatly improves the quality of our specialty steels by the removal of gases, particularly hydrogen. The degassed steel is cleaner, less susceptible to internal defects and speeds delivery to the customer by eliminating the necessity of a prolonged heat treatment.

Elsewhere on the production scene innovations and improvements were made to improve quality and efficiency. Automatic grinding equipment was installed in the Conditioning section, new atmosphere controlled annealing furnaces were installed in the Cold Draw Department, and forging equipment was adapted to allow the production of a broader range of forged products. Super alloy steels for the space and missile field were successfully rolled on our hot sheet mill. Associated production sections in the Welland plant were grouped into three major departments to improve communications, general efficiencies, and deliveries. To maintain quality leadership, the Metallurgical Department established improved testing techniques, quality controls and operational standards.

MARKETING: The reorganization of the North American Marketing Department initiated in 1960 played an important part in achieving a 10% increase in the North American Sales in 1961.

Concentration on the development of new markets for our stainless flat rolled products (strip, sheet and plate) continued during 1961. The application of these products in the architectural field increased sharply. New finishes were developed to increase acceptance of stainless strip in domestic hous-

ing. The availability of bright annealed strip improved our participation in the automotive trim field and at the same time allowed the development of new products such as Atlas EZEFORM. This product is designed for use in a large number of commercial and domestic architectural applications. Sales of Oil Hardening Tool Steels such as Atlas Keewatin were increased. Improved warehouse facilities and services expanded the overall branch sales volume. The year end marked our first full year of concentrated sales of selected Atlas products in the United States through our own sales organization. Sales of mining steels, high speed steels and other products which can be marketed competitively in that country reached anticipated volume.

SUBSIDIARIES: Alloy Metal Sales Limited was purchased from the International Nickel Company of Canada in July. This wholly owned subsidiary is a major distributor of stainless sheet and bar products, aluminum products, engineered alloys produced by International Nickel Company and specialty products in the fastenings, fittings, tubular products and other fields. Its purchase furthers our planned program for the production and sale of stainless steel flat rolled and allied products.

The year saw completion of Atlas

Titanium Limited's new research centre and initial production of special vacuum-melted heats through their consumable electrode vacuum arc melting furnace. This unit, the first and only one of its kind in Canada, has a capacity of 11,000 pounds of titanium or 19,000 pounds of steel per heat. It will be used primarily for production heats of titanium, zirconium and steel. This subsidiary also began work on development of zirconium alloys for the nuclear industry.

During 1961, Atlas Titanium entered the export market by establishing a number of distributors in Europe. Late in the year, word was received that a patent was being granted for an improved nickel plating process involving the use of titanium baskets and a cheaper form of nickel for the plating industry. Commercial sales of titanium in its many forms increased during the year.

INTERNATIONAL DIVISION: MARKETING: World markets for specialty steel products have become increasingly competitive. This is evidenced in improved deliveries from European mills, a liberalization of credit terms in certain countries and substantial price reductions. These factors resulted in reduced sales in this division in 1961.

We are meeting this increased competition by selective selling in

these markets, principally with our high speed steels in bar and wire form and stainless steels in all forms. We have strengthened our overseas sales force by special training programs and have increased our supervisory and technical sales staffs to provide better coverage in key areas. We also have established a central warehouse in the free port of Amsterdam through a wholly owned subsidiary. To maintain and strengthen our world wide marketing organization continues to be an important objective of your company.

SUBSIDIARIES: Atlas Steels (England) Limited, increased sales over 1960 despite sharp curtailment of automobile production which reduced the demand for certain of our products. Because of lower margins, earnings did not increase over 1960.

Aceromex-Atlas S.A., maintained its rate of sales and earnings but its activities were increasingly restricted because of recently imposed import barriers on tool and machinery steels in certain sizes. Atlas Steels (Italy) S.p.A., incorporated in 1960, built up sales rapidly last year and showed modest earnings.

A new subsidiary, Atlas Steels (Australia) Pty., Ltd., was incorporated in Melbourne to finish and market drawn and ground high speed and stainless bar and wire

supplied in semi-finished form from Welland. It will also warehouse a variety of stainless flat rolled products. The building of warehouse and manufacturing facilities was started in 1961 and is scheduled for completion by the spring of 1962.

ASSOCIATED COMPANIES: Results for 1961 not being available for Usines Gilson, S.A. of Belgium, in which Atlas Steels Limited has minority interest, we are unable to make any positive statement as to earnings.

The International sales organization continued to develop sales for certain offshore markets for stainless strip/sheet produced by Nippon Yakin Kogyo Company of

Japan. To assist them in maintaining the required quality standard, we continued technical inspection of the products manufactured for Atlas distribution.

A technical assistance and training services contract was signed in September with Hindustan Steel Limited, an Indian Government corporation establishing a specialty steel mill at Durgapur, near Calcutta. Indian personnel are to be trained at Welland, and our technicians will conduct "on the job" training for Indian personnel at their new mill.

SHAREHOLDERS: There were 7,912 shareholders of record as at December 31, 1961, an increase of 638 over 1960. Of the capital

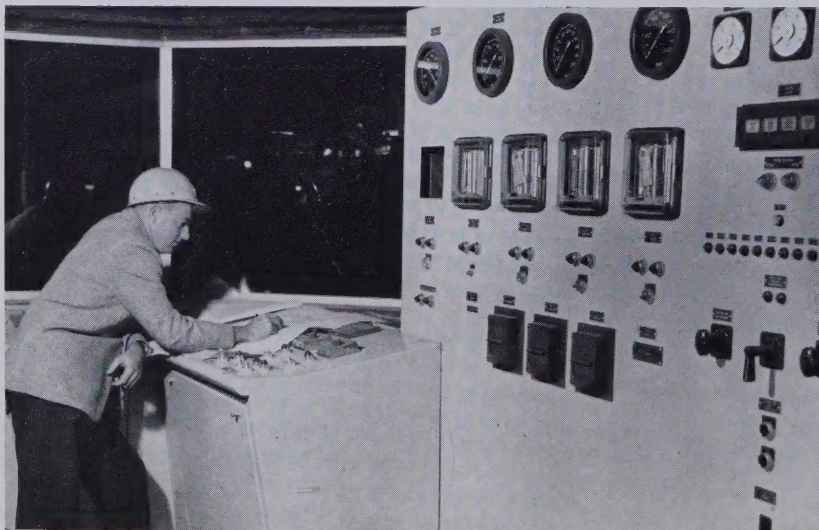
stock 91.77% is held by 7,494 shareholders resident in Canada.

DIRECTORS: Mr. L. A. Lapointe, Q.C., of Montreal was elected to the Board of Directors at the annual meeting of shareholders held in April, 1961. He is president of Miron Construction Limited and a director of the Toronto-Dominion Bank, and other companies.

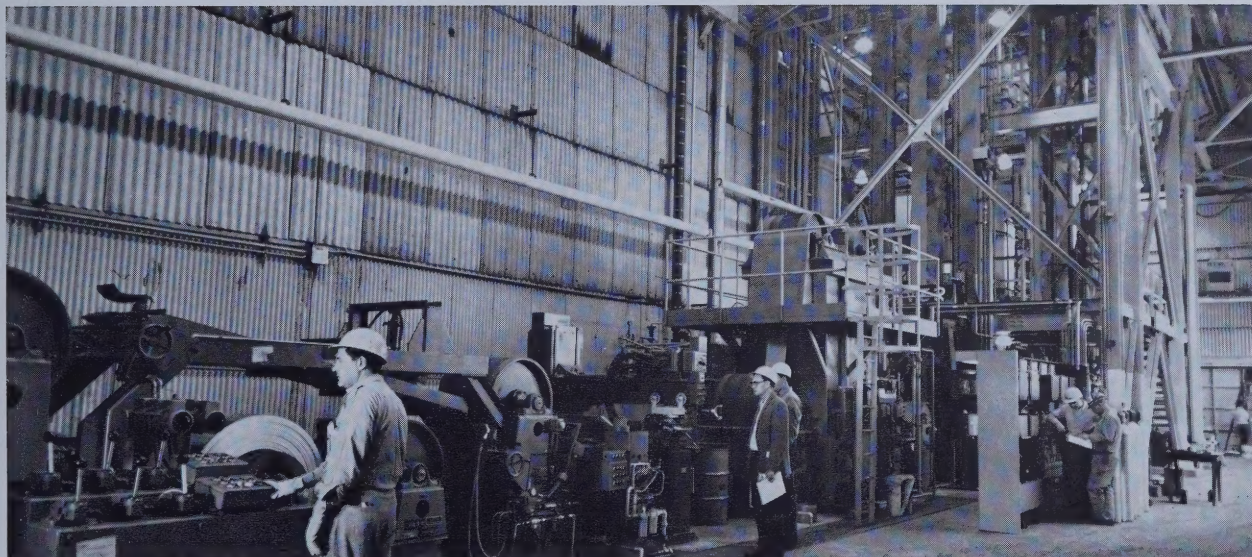
CONCLUSION: To our employees, customers, suppliers and shareholders, whose continuing support contributed much to our prosperity in 1961, we extend our sincere thanks and appreciation.

H. George De Young

President



The control panel of the newly installed Vacuum Degassing unit. Steel processed in this equipment is cleaner, less susceptible to internal defects and speeds delivery by eliminating the necessity of prolonged heat treatment.



The Bright Anneal line keeps Atlas abreast of demands for new stainless steel qualities and finishes. Unit allows annealing or softening of stainless strip while maintaining its original finish.

FUNDS WERE OBTAINED FROM:

Net earnings for the year	\$ 3,428,335
Add amount included therein represented by transfer to "accumulated tax reductions applicable to future years"	479,000
	<u>3,907,335</u>
Payment received under contract with Hindustan Steel Limited	500,000
Depreciation	1,032,700
Issue of common shares —	
Under an offering of rights to shareholders	4,403,468
To employees under option agreements	489,071
Cash received on conversion of debentures into common shares	18,292
Increase in minority shareholders' interests	121,436
	<u>\$10,472,302</u>

AND USED FOR:

Purchase of fixed assets (net)	5,231,677
Dividends to shareholders	1,682,918
Redemption of debentures	780,000
Sinking fund instalment	560,525
	<u>\$ 8,255,120</u>

RESULTING IN AN INCREASE IN WORKING CAPITAL OF

\$ 2,217,182

ATLAS STEELS LIMITED AND SUBSIDIARY COMPANIES / CONSOLIDATED BALANCE SHEET / 8
(INCORPORATED UNDER THE LAWS OF CANADA)

ASSETS	1961	1960
CURRENT:		
Cash	\$ 946,926	\$ 727,339
Marketable securities at cost	—	2,932,500
Accounts receivable	9,421,729	7,943,399
Inventories valued at the lower of cost or market	20,256,715	14,534,901
Deposits, prepaid expenses, etc.	333,865	236,177
Total current assets	<u>30,959,235</u>	<u>26,374,316</u>
INVESTMENT IN SHARES OF ASSOCIATED COMPANIES, AT COST	2,159,767	2,159,767
Less allowance	<u>1,000,000</u>	<u>1,000,000</u>
	1,159,767	1,159,767
FIXED, AT COST:		
Buildings	9,156,194	7,483,349
Machinery and equipment	29,492,806	25,943,924
	<u>38,649,000</u>	<u>33,427,273</u>
Less accumulated depreciation	24,971,309	23,389,733
	<u>13,677,691</u>	<u>10,037,540</u>
Land	1,048,622	489,796
Total fixed assets	<u>14,726,313</u>	<u>10,527,336</u>
On behalf of the Board:		
H. George De Young, Director		
John B. Ridley, Director		
	<u>\$46,845,315</u>	<u>\$38,061,419</u>

See accompanying notes to consolidated financial statements.

LIABILITIES	1961	1960
CURRENT:		
Accounts payable	\$ 6,473,713	\$ 4,239,452
Income taxes payable	1,734,437	1,700,310
Sinking fund instalment due June 1, 1962	271,000	325,475
Dividends payable February 1, 1962	698,535	544,711
Total current liabilities	9,177,685	6,809,948
ACCUMULATED TAX REDUCTIONS APPLICABLE TO FUTURE YEARS	878,600	399,600
FUNDED DEBT:		
4¾% first mortgage sinking fund bonds due December 1, 1966	271,000	886,000
Less sinking fund instalment due June 1, 1962	271,000	325,475
		560,525
5% convertible debentures 1951 issue due December 1, 1967		2,139,000
Total funded debt		2,699,525
MINORITY SHAREHOLDERS' INTERESTS IN SUBSIDIARY COMPANIES	557,907	436,471
SHAREHOLDERS' EQUITY:		
Capital —		
Authorized — 2,000,000 common shares without nominal or par value		
Issued — 1,397,069 shares (1960 — 1,089,422 shares)	11,560,383	5,290,552
Earnings retained in the business	24,670,740	22,425,323
Total shareholders' equity	36,231,123	27,715,875
	<u>\$46,845,315</u>	<u>\$38,061,419</u>

See accompanying notes to consolidated financial statements.

ATLAS STEELS LIMITED / CONSOLIDATED STATEMENT OF INCOME AND EARNINGS RETAINED IN THE BUSINESS / 10

YEAR ENDED DECEMBER 31, 1961 (with comparative figures for 1960)

INCOME	1961	1960
Sales	\$57,883,187	\$50,851,786
Costs and expenses:		
Cost of goods sold, selling, general and administration expenses	49,307,624	42,613,580
Depreciation (note 3)	1,032,700	1,619,076
Interest on funded debt	21,154	162,754
Expenses of issue of share capital	114,357	—
	50,475,835	44,395,410
Earnings before income taxes	7,407,352	6,456,376
Income taxes	3,990,080	3,437,822
Earnings before provision for minority interests in subsidiary companies	3,417,272	3,018,554
Add or (deduct) minority interests	11,063	(3,139)
Net earnings for the year	3,428,335	3,015,415
Add special item — Payment received under contract with Hindustan Steel Limited (note 6)	500,000	—
Net earnings for the year and special item	\$ 3,928,335	\$ 3,015,415
 EARNINGS RETAINED IN THE BUSINESS		
Balance at beginning of the year	\$22,425,323	\$21,771,673
Net earnings for the year and special item	3,928,335	3,015,415
	26,353,658	24,787,088
Deduct:		
Dividends	1,682,918	1,361,765
Allowance re investment in an associated company	—	1,000,000
	1,682,918	2,361,765
Balance at end of the year	\$24,670,740	\$22,425,323

See accompanying notes to consolidated financial statements.

AUDITORS' REPORT

CLARKSON, GORDON & CO.
CHARTERED ACCOUNTANTS

TO THE SHAREHOLDERS OF ATLAS STEELS LIMITED:

We have examined the consolidated balance sheet of Atlas Steels Limited and its subsidiary companies as at December 31, 1961 and the consolidated statement of income and earnings retained in the business for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the companies, the accompanying consolidated balance sheet and consolidated statement of income and earnings retained in the business are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at December 31, 1961 and the results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for the change in the method of computing depreciation as described in note 3 to the financial statements.

Toronto, Canada,
February 26, 1962

Clarkson, Gordon & Co.
Chartered Accountants.

YEAR ENDED DECEMBER 31, 1961

1. BASIS OF CONSOLIDATION.

The consolidated financial statements include the accounts of Atlas Steels Limited and all foreign and domestic subsidiaries. The earnings of Alloy Metal Sales Limited are included from the date of acquisition on July 1, 1961.

The accounts of foreign subsidiaries are stated in Canadian dollars on the following basis: fixed assets and related depreciation at exchange rates in effect at dates of acquisition; other assets and liabilities at year-end rates; revenues and expenses (other than depreciation) at average rates in effect during the year.

2. VALUATION OF SHARES OF ASSOCIATED COMPANIES.

"Investment in shares of associated companies" includes an amount of \$2,111,104 relating to a company which has suffered substantial losses since the investment was made; in the absence of any certainty as to its reduced value, this investment is shown at cost less an amount of \$1,000,000 which has been deducted as an allowance for possible diminution in its value.

3. FIXED ASSETS AND ACCUMULATED DEPRECIATION.

In 1961 the parent company and the one subsidiary that formerly used the diminishing balance method of providing depreciation adopted the straight-line method; the effect of this change was to increase the net earnings for the year by approximately \$300,000.

4. SHARE CAPITAL.

During the year the following changes in share capital took place:

- (a) 57,078 shares were issued upon the conversion of \$1,359,000 principal amount of 5% convertible debentures and \$18,292 cash.
- (b) 229,715 shares were issued for \$4,403,468 cash under an offering of rights to shareholders.
- (c) Employees exercised options and subscribed for 20,854 shares for \$489,071 cash. At December 31, 1961 the following share options to employees were outstanding:
 - 4,336 shares at a price of \$20.75 per share.
 - 48,100 shares at a price of \$26.50 per share.

5. FEES AND REMUNERATION.

1961 expenses include legal fees and remuneration of executive officers of \$319,779 and directors' fees of \$28,150.

6. AGREEMENT WITH HINDUSTAN STEEL LIMITED.

During 1961 the company entered into an agreement with Hindustan Steel Limited to provide know-how and technical training services in connection with the construction and operation of a specialty steel mill in India. Further progress payments are contingent upon the Indian company completing certain facilities and upon Atlas providing the training required to reach an agreed level of production.

7. NEW FACILITIES.

The company is erecting a mill for the production of 48" wide stainless steel strip and sheet at Tracy, Quebec. Construction of these facilities will extend over a period of from two to three years and the total cost of the new plant is estimated at \$40,000,000.

ATLAS STEELS LIMITED / TEN YEAR CONSOLIDATED FINANCIAL SUMMARY / 12

YEARS ENDED DECEMBER 31

1961

1960

1959

1958

1957

OPERATING RESULTS

Sales	\$57,883,187	\$50,851,786	\$45,863,608	\$34,785,261	\$46,958,520
Costs and expenses					
Costs and expenses (excluding depreciation)	53,433,215	46,214,156	40,754,599	30,224,338	41,816,230
Depreciation	1,032,700	1,619,076	1,815,125	2,159,388	1,964,200
Total costs and expenses	54,465,915	47,833,232	42,569,724	32,383,726	43,780,430
Earnings before minority interest	3,417,272	3,018,554	3,293,884	2,401,535	3,178,090
Minority interest	(11,063)	3,139	8,586	82,083	179,040
Net earnings for the year	*\$ 3,428,335	\$ 3,015,415	\$ 3,285,298	\$ 2,319,452	\$ 2,999,040
Earnings per share of common stock based on shares outstanding December 31, 1961	2.45	2.16	2.35	1.66	2.10
Dividends to shareholders	\$ 1,682,918	\$ 1,361,765	\$ 1,360,273	\$ 1,081,535	\$ 1,079,810

*Excluding payment of \$500,000 under contract with Hindustan Steel Limited

FINANCIAL POSITION

Current assets:					
Cash and marketable securities	\$ 946,926	\$ 3,659,839	\$ 3,870,053	\$ 4,530,917	\$ 4,275,200
Other current assets	30,012,309	22,714,477	21,102,983	16,860,991	16,113,600
	30,959,235	26,374,316	24,973,036	21,391,908	20,388,800
Less current liabilities	9,177,685	6,809,948	6,228,955	5,367,065	5,660,900
Working capital	21,781,550	19,564,368	18,744,081	16,024,843	14,727,900
Property, plant and equipment, less depreciation	14,726,313	10,527,336	10,466,246	11,962,611	12,746,800
Investment in shares of associated companies	1,159,767	1,159,767	2,159,767	2,147,516	2,059,000
Net assets	37,667,630	31,251,471	31,370,094	30,134,970	29,533,800
Deduct:					
Accumulated tax deductions	878,600	399,600	493,000	634,000	800,000
Funded debt	**	**2,699,525	**3,455,131	**4,137,094	**4,549,800
Minority shareholders' interests	557,907	436,471	370,391	357,805	275,700
	1,436,507	3,535,596	4,318,522	5,128,899	5,625,600
Net worth	\$36,231,123	\$27,715,875	\$27,051,572	\$25,006,071	\$23,908,200
Represented by:					
Capital stock	\$11,560,383	\$ 5,290,552	\$ 5,279,899	\$ 5,159,423	\$ 5,102,300
Earnings retained in the business	24,670,740	22,425,323	21,771,673	19,846,648	18,805,800
	\$36,231,123	\$27,715,875	\$27,051,572	\$25,006,071	\$23,908,200
Ratio of current assets to current liabilities	3.4 to 1	3.9 to 1	4.0 to 1	4.0 to 1	3.6 to 1

**Less sinking fund instalments due June 1, in the following year

1956	1955	1954	1953	1952
46,757,421	\$29,139,380	\$16,823,506	\$23,003,463	\$33,754,889
40,507,659	25,843,782	15,619,383	21,416,895	30,395,591
1,792,725	1,219,346	1,005,075	728,804	652,591
42,300,384	27,063,128	16,624,458	22,145,699	31,048,182
4,457,037	2,076,252	199,048	857,764	2,706,707
92,676	—	—	—	—
4,364,361	\$ 2,076,252	\$ 199,048	\$ 857,764	\$ 2,706,707

3.12	1.49	.14	.61	1.94
1,179,409	\$ —	\$ —	\$ 834,825	\$ 834,787

4,553,778	\$ 52,259	\$ 67,045	\$ 1,550,546	\$ 6,103,197
20,319,575	15,246,968	10,285,612	9,111,031	12,092,612
24,873,353	15,299,227	10,352,657	10,661,577	18,195,809
8,247,721	4,542,568	2,552,240	2,997,827	4,239,219
16,625,632	10,756,659	7,800,417	7,663,750	13,956,590

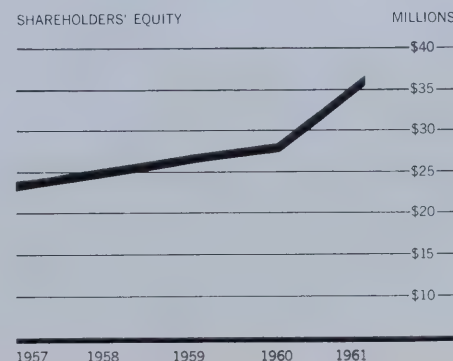
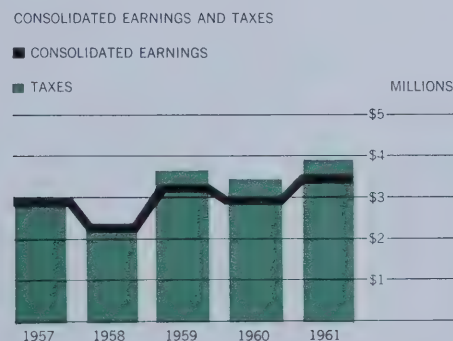
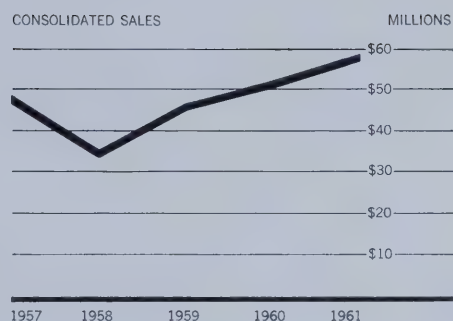
11,236,406	10,242,489	11,245,374	11,065,293	5,107,514
------------	------------	------------	------------	-----------

27,862,038	20,999,148	19,045,791	18,729,043	19,064,104
------------	------------	------------	------------	------------

740,000	690,000	470,000	—	—
*5,185,614	**6,339,955	**6,749,000	**7,104,000	**7,462,000
96,676	—	—	—	—
6,022,290	7,029,955	7,219,000	7,104,000	7,462,000
21,839,748	\$13,969,193	\$11,826,791	\$11,625,043	\$11,602,104

4,953,103	\$ 267,500	\$ 201,350	\$ 198,650	\$ 198,650
16,886,645	13,701,693	11,625,441	11,426,393	11,403,454
21,839,748	\$13,969,193	\$11,826,791	\$11,625,043	\$11,602,104

3.0 to 1	3.4 to 1	4.1 to 1	3.6 to 1	4.3 to 1
----------	----------	----------	----------	----------





Canadian Imperial Bank of Commerce building rises in Montreal. In its exterior wall structure . . . 14 miles of Atlas stainless steel strip.



Full page newspaper advertising series tells large audiences about Atlas and its role in Canadian and world markets.

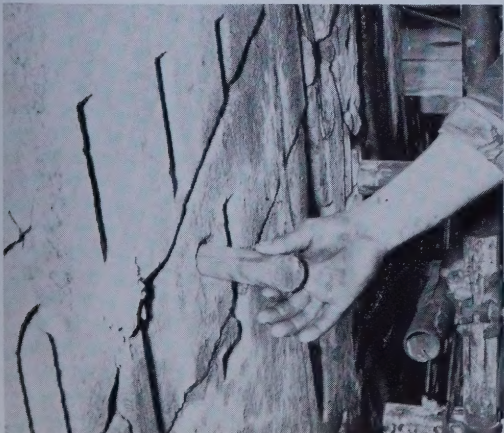


Fifty cent pieces and the Atlas X-10 tool steel "coining" dies that made them.



"Select-o-Graph" a new aid in tool steel selection is discussed by Atlas men who developed it.

Ancient Obelisk in the Piazza of St. John Lateran, Rome, is reinforced with Atlas stainless steel bars.



Sales promotion, as part of the company's overall Marketing program was intensified during 1961. Early in the year, a new sales aid, the Atlas **Select-o-Graph** was introduced to Canadian customers. Developed at Atlas, the device provides users with a fast and accurate guide in the selection of the proper grade of Atlas tool steels for over 90% of the known applications. Backed by full advertising and press coverage the device proved extremely popular both in Canada and the United States. Promotion of our stainless products within the architectural field continued. In co-operation with the International Nickel company and Union Carbide Canada Limited, and an enlarged number of stainless fabricators, Atlas once again participated in **Architectural and Specification Writer Exhibits** in Toronto and Montreal. The promotion of stainless consumer products continued through Eaton's of Canada's nationwide "Gleam of Stainless Steel" program. To provide a broad foundation for the company's entire marketing activities a series of **full page newspaper advertisements** was developed and appeared in Montreal and Toronto morning papers. Using a unique format these advertisements portrayed the role Atlas plays in the Canadian and International scenes. Both potential and established Atlas customers, and a high percentage of the Canadian public were reached. During the year, a **formal public relations program** was established to extend the favourable acceptance of Atlas and its products in North American markets. As a result, many hundreds of stories covering Atlas activities appeared in magazines and newspapers or were told on T.V. and radio programs. On the International scene, the frequency of **Atlas Topics** was increased to appear six instead of four times a year in a new format. This four-language magazine is read by over 10,000 Atlas customers in world markets. Foreign language Atlas Stainless Steel Technical Data books also made their appearance on world markets during 1961.

DIRECTORS

A. L. BISHOP
R. M. DAVIS
H. GEORGE DE YOUNG
D. WHITING LATHROP
J. M. PIGOTT
J. B. RIDLEY
J. H. SHARP
W. A. THOMAS
W. A. WECKER
L. A. LAPOINTE

EXECUTIVE COMMITTEE

H. GEORGE DE YOUNG
J. M. PIGOTT
J. B. RIDLEY
J. H. SHARP
W. A. WECKER

OFFICERS

H. GEORGE DE YOUNG
President
W. A. THOMAS
Vice President Corporate Manufacturing
A. C. RAE
Vice President and General Manager
North American Division
F. PEACOCK
Vice President and General Manager
International Division
H. S. WILSON
Vice President Finance and Assistant
Secretary
A. G. HOWEY
Vice President and Secretary
A. G. LAMBERT
Vice President
H. B. CHAMBERS
Vice President
A. C. TURNER
Controller and Treasurer

TRANSFER AGENTS

CANADA PERMANENT TORONTO GENERAL TRUST COMPANY

Toronto, Ontario
Winnipeg, Manitoba
Montreal, Quebec
Vancouver, B.C.

BANKERS TRUST COMPANY

New York, New York, U.S.A.

AUDITORS

CLARKSON, GORDON & CO.

Chartered Accountants
Toronto, Ontario, Canada

HEAD OFFICE

ATLAS STEELS LIMITED

Welland, Ontario



ATLAS STEELS LIMITED
WELLAND, ONTARIO, CANADA

SUBSIDIARIES

Atlas Titanium Limited
Welland, Ontario

Alloy Metal Sales Limited
Toronto, Ontario

Atlas Sendzimir Limited
Welland, Ontario

Atlas Steels (England) Limited
Luton, England

Aceromex-Atlas, S.A.
Mexico City, Mexico

Atlas Steels (Italy) S.p.A.
Rome, Italy

Aciers Atlas, S.A.
Brussels, Belgium

Atlas Steels (Australia) Pty., Ltd.
Melbourne, Australia

ASSOCIATED COMPANIES

Usines Gilson, S.A.
La Croyere, Belgium

BRANCHES IN CANADA

Toronto, Ontario
30 Ordnance Street

Montreal, P.Q.
6445 Western Avenue

Hamilton, Ontario
459 Burlington Street, E.

Windsor, Ontario
3030 Walker Road

Winnipeg, Manitoba
1870 Ellice Avenue

Vancouver, B.C.
925 Terminal Avenue

LEGEND:

- Plant
- Branch and Subsidiary Warehouses
- △ Technical Representation
- Agents or Distributors



